BEFORE THE BOARD OF OIL, GAS AND MINING DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

IN THE MATTER OF THE REQUEST FOR AGENCY ACTION OF BILL **BARRETT** CORPORATION FOR AN ORDER POOLING ALL INTERESTS. **INCLUDING** THE COMPULSORY POOLING OF THE INTERESTS **NON-CONSENTING** OF CERTAIN UNLOCATABLE OWNERS, IN THE DRILLING UNIT ESTABLISHED FOR THE PRODUCTION OF OIL, **GAS** AND **ASSOCIATED** HYDROCARBONS FROM THE LOWER GREEN RIVER-WASATCH FORMATIONS, COMPRISED OF ALL OF SECTION 25, TOWNSHIP 2 SOUTH, RANGE 3 WEST, U.S.M. DUCHESNE COUNTY, UTAH

NOTICE OF HEARING

Docket No. 2015-019 Cause No. 139-133

THE STATE OF UTAH TO ALL PERSONS INTERESTED IN THE FOLLOWING MATTER.

Notice is hereby given that the Board of Oil, Gas and Mining ("Board"), State of Utah, will conduct a hearing on WEDNESDAY, MAY 27, 2015, at 9:00 AM, or as soon thereafter as possible, in the auditorium of the Department of Natural Resources, 1594 West North Temple, Salt Lake City, Utah.

The hearing will be conducted as a formal administrative adjudication in accordance with the rules of the Board as set forth in Utah Administrative Code R641 et seq., and as provided for in Utah Code Ann. § 40-6-1 et seq., and Utah Code Ann. § 63G-4-101 through 601.

The purpose of the hearing will be for the Board to receive testimony and evidence regarding a Request for Agency Action that the Board enter an Order:

1. Pooling all interests in the drilling unit established by the Board in its Order entered on August 11, 1971 in Cause No. 131-14, as modified by the Orders entered on April 17, 1985 in Cause No. 139-42, and entered on May 9, 2012 in Cause No. 139-90, for the production of oil, gas and associated hydrocarbons from the Lower Green River-Wasatch formations, defined as:

The interval from the top of the Lower-Green River formation (TGR₃ marker) to the base of the Green River-Wasatch formations (top of the

Cretaceous), which base is defined as the stratigraphic equivalent of the Dual Induction Log depths of 16,720 feet in the Shell-Ute 1-18B5 Well located in the S½NE¼ of Section 18, Township 2 South, Range 5 West, U.S.M., and 16,970 feet in the Shell-Brotherson 1-11B4 Well located in the S½NE¼ of Section 11, Township 2 South, Range 4 West, U.S.M.,

(the "Subject Formations"), comprised of the entirety of Section 25, Township 2 South, Range 3 West, USM, Duchesne County, Utah (the "Drilling Unit"). This Request includes the compulsory pooling of the interests of the following parties:

Encana Oil & Gas (USA) Inc. Falcon Royalties, LLC, as Executive ("Encana") Rights Owner ("Falcon Royalties")

Blue Dunn, LLC, as Executive Rights
Owner ("Blue Dunn")

Jerry L. Brown, Successor
Administrator of the Estate of Charles
E. Ackerman

Thomas W. Parker Tracie Brown

Jeff Nicora Keith A. Walker

Laurence Scott Noble Robert D. Noble

Thomas K. Gray Jey Gray

NCNB Texas National Bank, as Trustee of the unnamed Trust created for the benefit of Helen Crabb Seline NCNB Texas National Bank, as Trustee of the unnamed Trust created for the benefit of Billy Easley

NCNB Texas National Bank, as Trustee of the unnamed Trust created for the benefit of Gay Crabb Karger

NCNB Texas National Bank, as

Trustee of the unnamed Trust created for the benefit of Lawrence E. Karger

Mega Petroleum, Inc. Altex Oil Corporation ("Altex") ("Mega")

O'Leary Properties, Inc. ("O'Leary Properties")

Darrell Soren Hanson

The following parties claiming under and through the lease from Lester Hanson and Vera H. Gagon, Trustees, under that certain Trust Agreement dated March 18, 1961 executed by the heirs of Paul Soren Hanson ("Hanson/Gagon Lease"):

Patricia Ann Hanson	Lester B. Hanson and Helen B. Hanson as Trustees of the Lester B. and Helen B. Hanson Family Revocable Trust
Joyce G. Hanson as Trustee of the Joyce G. Hanson Trust	Margaret B. Jones, a/k/a Margaret V. Jones
Eleanor J. Prouty	The Melba G. Hanson Family Limited Partnership, a Utah Limited Partnership
Glenna H. Huff as Heir or Devisee of Gordon S. Hanson	Ralph M. Hanson as Heir or Devisee of Gordon S. Hanson
Dale G. Hanson as Heir or Devisee of Gordon S. Hanson	Stanley A. Anderson and Crystal O. Anderson, Trustees of the Stanley A. Anderson Family Trust
Norma A. Wardle, Trustee of the Norma A. Wardle Trust	George Marion Calder and Wanda A. Calder, Trustees of the Wanda A. Calder Trust dated September 29, 1983
Evelyn Hampton, Trustee of the Evelyn Hampton Trust	Elaine Vincent and Verlin H. Vincent, Trustees of the Amended And Restated Elaine Vincent Revocable Trust
Verlin H. Vincent and Elaine Vincent, Trustees of the Amended And Restated Verlin H. Vincent Revocable Trust Delores C. Evans	The Watch Tower Bible and Tract Society of Pennsylvania Duane H. Hanson

Conrad P. Gagon as Heir or Devisee of

Vera H. Gagon

Gale B. Evans as Heir or Devisee of

Vera H. Gagon

Ray D. Gagon as Heir or Devisee of

Vera H. Gagon

John Davito and Flora Davito as Trustees of the Davito Trust dated April

3, 1992

Bette Wimmer

Glen Eldredge

Stephen Eldredge

Marie Bartlett

John R. Eldredge and Joyce L. Eldredge as trustees of The John R. and Joyce L.

Eldredge Family Trust

L. Raelyn Stringham

Nancy Mitchell

Joann Nelson,

and any and all parties not currently leased or participating in SA 16-25-23 Well (the "Subject Well"), and claiming oil and gas ownership in Section 25 by, through or under the Estates of the following deceased parties: Mary A. Eaves, Maybelle Arthur, f/k/a Mabelle Hartwell, and Michael C. Riley (hereinafter referred to as the "Unknowns") (all collectively hereinafter the "Non-Consenting FP Parties";.

- 2. Pool the interests of all parties subject to the jurisdiction of the Board in the Drilling Unit retroactively effective to October 27, 2013, the date of first production of the Subject Well, drilled and currently producing upon the Drilling Unit, including the compulsory pooling of the interests of the Non-Consenting FP Parties therein;
- 3. Declare the Non-Consenting FP Parties as "non-consenting owners," as that term is defined in Utah Code Ann. § 40-6-2(11), and as owners "deemed to have refused to bear their proportionate share of costs" in accordance with Utah Admin. Code Rule R649-2-9(1) as relating to the Subject Well;
- 4. Declare BBC, as Operator on behalf of itself, EP Energy E&P Company, L.P. ("EPE"), International Petroleum ("International"), Linn Operating, Inc. ("Linn"), T.C. Craighead & Company ("Craighead"), Broughton Petroleum, Inc. ("Broughton"), Pinebelt Oil & Gas, Inc. ("Pinebelt"), Ronald E. Slover ("Slover"), Charles R. Wiggins ("Wiggins"), and Newfield Production Company ("Newfield"), as a "consenting owner," as that term is defined in Utah Code Ann. § 40-6-2(4), as relating to the Subject Well;

- 5. Provide for the recovery by BBC, as Operator, from the Non-Consenting FP Parties' respective shares of production of the costs set forth in Utah Code Ann. § 40-6-6.5(4) as relating to the Subject Well, including a non-consent penalty of 300% pursuant to Utah Code Ann. § 40-6-6.5(4)(d)(i)(D), and estimated plugging and abandonment costs of \$75,000 for the Subject Well;
- 6. Provide for the payment of the weighted average fee landowner's royalty (15.457022%) proportionately reduced to Broughton, Craighead and Slover, and to each of the Non-Consenting FP Parties in the Drilling Unit during the cost recovery period as provided in Utah Code Ann. §§ 40-6-6.5(6) and (8);
- 7. Adopt the terms of the joint operating agreement ("JOA") attached hereto as Exhibit "A," and by this reference incorporated herein, to govern operations upon the Drilling Unit to the extent not inconsistent with the foregoing, as between BBC, as Operator, and Newfield and the Non-Consenting FP Parties, as Non-Operators (which, in all material aspects, is the same as the one previously submitted by BBC to said parties), as provided in Utah Code Ann. § 40-6-6.5(2)(c); and
- 9. Generally include in such order all such other terms and conditions as required under Utah Code Ann. § 40-6-6.5.
- 10. Providing for such other and further relief as may be just and equitable under the circumstances.

Objections to the Request for Agency Action must be filed with the Secretary of the Board at the address listed below no later than the 11th day of May, 2015. A party must file a timely written objection or other response in order to participate as a party at the Board hearing. Failure to participate can result in a default judgment.

Natural persons may appear and represent themselves before the Board. All other representation of parties before the Board will be by attorneys licensed to practice law in the State of Utah, or attorneys licensed to practice law in another jurisdiction which meet the rules of the Utah State Bar for practicing law before the Utah Courts.

Persons interested in this matter may participate pursuant to the procedural rules of the Board. The Request for Agency Action, and any subsequent pleadings, may be inspected at the office of the undersigned, and inspected online at the Utah Board of Oil, Gas and Mining's website at http://ogm.utah.gov/amr/boardtemp/redesign/books.html.

Pursuant to the Americans with Disabilities Act, persons requiring auxiliary communicative aids and services to enable them to participate in this hearing should call Julie Ann Carter at (801) 538-5277, at least three working days prior to the hearing date.

DATED this 30th day of April, 2015.

STATE OF UTAH BOARD OF OIL, GAS AND MINING Ruland J. Gill, Jr., Chairman

/s/Julie Ann Carter

Board Secretary

1594 West North Temple, Suite 1210

Salt Lake City, Utah 84116

(801) 538-5277

CERTIFICATE OF PUBLISHED NOTICE

I hereby certify that I caused a true and correct copy of the foregoing NOTICE OF HEARING for Docket No. 2015-019 Cause No. 139-133 to be PUBLISHED in the following newspapers on the following days:

May 3, 2015:

<u>The Salt Lake Tribune</u> and <u>Deseret Morning News</u>, newspapers of general circulation in Salt Lake City and County.

May 5, 2015:

<u>Uintah Basin Standard</u>, a newspaper of general circulation in Duchesne and Uintah Counties.

May 5, 2015:

<u>Vernal Express</u>, a newspaper of general circulation in Uintah and Daggett Counties.

Julie Am Carter